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HANSHEP Health Enterprise Fund: Innovating Health Care for the Poor







Innovating health care for the poor

Across the globe, the private sector is an important source of health care for the world's poor.

In a study of 10 sub-Saharan countries using Demographic and Health Survey data, one out of three users of modern family planning obtained her family planning methods from the private sector.

Survey data also show that 17 percent of sub-Saharan Africa's lowest two wealth quintiles seek antenatal care at private clinics. This figure is much larger in some countries.

In 2013, the Strengthening Health Outcomes through the Private Sector (SHOPS) project developed the HANSHEP Health Enterprise Fund (HHEF) to identify innovative and replicable private sector solutions that address critical health challenges in sub-Saharan Africa. The fund offers early-stage enterprises grant financing, technical assistance, and connections to partners and investors.

Through a competitive process, the fund selected 16 grantees in Ethiopia, Kenya, and Nigeria. Despite seemingly intractable challenges in low-resource settings, these entrepreneurs are changing health care for the poor. In the following pages, SHOPS reviews barriers the poor face, highlights results the fund has achieved in just two years, and features some of the stories behind the ambitious and visionary work of the awardees.

IMPACT

16

total enterprises

6 enterprises secured onward investment



people covered by Penda Health and MicroEnsure's cashless financing schemes



people counseled on family planning at Afya Research Africa's 11 M-Afya Health Kiosks



mothers and babies from Nairobi's informal settlements referred to Ruaraka Hospital for complicated or emergency care



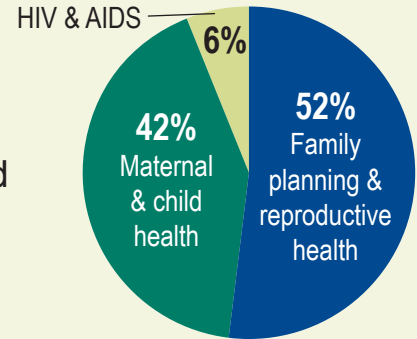
Nigerian children received health services at school

COUNTS



HHEF grantees
provided
74,481
services

36,424
people received
priority health
services



women & girls received reusable sanitary pad kits



Ethiopians accessed medical advice over the phone



people received emergency transport from Ethiopia's first
private ambulance company



women delivered their babies through low-cost C-sections
at Jacaranda Health

Access



Challenges the poor face in accessing health care

The poor have difficulty accessing quality health care from public and private facilities. For example, a SHOPS study in Kenya found that low-income populations in the greater Nairobi area have many options for public and private health care, but few fully meet their needs. Interviewees said that they typically face challenges when accessing care at both types of providers. Nearly all respondents emphasized long waits and overworked staff. Of greater concern were the unforeseen costs of accessing care—with medicines out of stock and providers or equipment unavailable, the poor often make multiple trips to different health outlets. Low-income patients cannot afford care at large private hospitals, and many distrust small providers due to the potential for unqualified clinicians who operate under scant regulation.

“[The] hospitals are many, but some facilities do not offer quality services . . . We have mentioned many facilities that we can go to, but what matters is the kind of services that we get, [and] many facilities do not offer [quality].”

— *Access Afya client*



Inconvenience

- Great distances
- Long wait times
- Multiple facilities to address one health need



Poorly staffed or supplied facilities

Many facilities lack reliable medicines, specialists, and medical equipment.



High Cost

Many health care products and services are unaffordable for patients with low incomes. Even a free public consultation can have unexpected costs, such as paying for transport to another facility.



Low Quality Services

- Rushed care from busy providers
- Lack of trained providers
- Treatment motivated by profit

Innovation



Changing health care for the poor

Recognizing the barriers that low-income populations face, the HANSHEP Health Enterprise Fund grantees proposed solutions such as new service delivery models, improvements to the health system infrastructure and product supply, and financing options.

The shared goal of providing high quality, affordable health care drove entrepreneurs to design new products and processes. Some developed new technologies to remove geographical barriers between patients and providers. Others delivered products and services using existing distribution channels, embedding their solutions into accepted community and social structures and increasing efficiencies. Most grantees implemented business process innovations, such as task sharing, to reduce operational cost while improving quality. While the innovations were diverse, each one addressed the challenges low-income populations face in accessing high quality health care.

The enterprises used these strategies to make a difference in the lives of the poor seeking health care:



- Harnessing technology
- Leveraging schools to serve youth
- Improving quality
- Empowering consumers with health information
- Strengthening health care infrastructure
- Offering flexible payment options

Mamihiasina Raminosoa, DDC International

Health care innovation

Innovation is something new, or perceived new by the population experiencing the innovation that has the potential to drive change and redefine healthcare's economic or social potential.

Source: Weberg, D. 2009. "Innovation in Healthcare: A Concept Analysis." *Nursing Administration Quarterly* 33 (3, Jul-Sep): 227–37.

Harnessing technology

In many sub-Saharan African countries, access to health care is limited by the relatively small number of health care workers and health facilities serving large populations. These scarce resources are often concentrated in urban areas, which is particularly problematic in Ethiopia, since the vast majority of the population resides in rural areas. Ethiopian grantees familiar with these challenges proposed innovative technologies that aim to reduce the long distances between patients and essential health care services.



Getting a faster diagnosis

In Ethiopia, access to reliable and timely diagnoses is restricted by the limited number of skilled specialists. For a population of more than 94 million, there are approximately 30 pathologists. When a pathology test is needed to make a diagnosis, the patient typically transports their samples to referral centers that can be hours away, and then returns again in two to four weeks for the results. Dr. Fuad Temam of Kadisco Hospital sought to reduce the time and cost of accurate diagnoses, which are critical in the identification and treatment of cancers common in AIDS patients. With the fund's support, Kadisco established an automated pathology lab and Ethiopia's first telepathology service. These technologies directly address the short supply of pathologists by increasing efficiency and using digital slide imaging to provide remote diagnoses. Using telepathology, hospitals can send slides and receive diagnoses electronically, rather than making patients travel and wait. In the pilot phase, Kadisco has reduced turnaround time for diagnoses to three days.

April Warren

Engineering health solutions

More than 85 percent of Ethiopians live in rural areas, where the distance to a health facility remains a significant barrier to access. Getachew Woldegebreal applied his engineering background to tackle this challenge. With the fund's support, Getachew founded Innopia and designed a mobile clinic with a solar-powered electrical system. Customized vehicles serve as standard clinics or ambulances in emergencies. They can also be deployed for outreach campaigns. Innopia's mobile clinics share limited equipment and personnel and bring care to those who need it.



Patricia Griffin

“Most pregnant women deliver without even going once to the health service . . . [because] health services are located in the cities . . . Why shouldn't the health service itself go to the public?”

– Getachew Woldegebreal, co-founder, Innopia Electromechanical Solutions

Leveraging schools to serve youth

Worldwide, health care systems struggle to successfully reach low-income youth and adolescents with continuous health care prevention and treatment services. Some of the grantees addressed this challenge by partnering with schools, which provide a reliable platform for ongoing interaction with youth. Schools act as existing distribution channels for health communication messages, while removing the burden of seeking care from busy parents. These partnerships improve the continuity of care for youth, and reduce the cost of reaching young people for private health enterprises.

Dispelling myths and empowering girls

Sanitary pads are too expensive for many Kenyan women and girls, especially in rural areas, where mark-up prices can represent most of a poor family's daily budget. Combined with limited information on menstruation, girls skip school and even drop out due to myths and embarrassment. In response, Afri-Can Trust developed the I-Care Pad, a low-cost, locally manufactured, reusable sanitary pad. Afri-Can Trust trains teachers to serve as sales agents for I-Care Pads and health education resources for girls. Teachers dispel myths and raise awareness about the importance of proactively managing reproductive health to stay in school. Using schools as distribution channels saves Afri-Can Trust money on demand creation, while ensuring messages and products reach its target market. In 21 months, Afri-Can Trust reached 26,873 women and girls with I-Care pads.



Mamihasina Raminosoa, DDC International



Providing health care in schools

Hecahn Health Services partners with schools in Lagos, Nigeria to address poor health among low-income children. Children receive regular, high quality health care at their school for a small fee, which is added to each student's tuition. Hecahn provides check-ups, immunizations, sexual and reproductive health education, and standard diagnosis and treatment services. By offering health services through the schools, Hecahn lessens the burden of seeking care from parents, and the associated costs of transportation and missed work. Bundling the purchase of child health services with tuition makes the parents' decision to invest in regular, preventive care easier. This results in better prevention and monitoring to keep low-income children healthy.

Matt Griffith

Improving quality

Many awardees differentiated themselves from the competition by providing high quality, patient-centered care. In low-income communities where they operated, potential customers equated quality care with what was lacking in their current options: speed and convenience, reliable medicine supplies, qualified staff, and diagnostic equipment. The belief was that to obtain quality services, one had to pay a great deal of money.



“I would be afraid to go there [a private sector facility] because of the cost factor. High quality services are expensive.”

— *Client, Ruaraka Hospital Mother and Child Referral Network*

Innovative enterprises provide excellent customer service and change poor consumers’ definitions of quality care.

Patients who received services from the awardees painted a picture of quality that reflects many of the values those enterprises stress, especially providers like Access Afya, Jacaranda Health, and Penda Health, which emphasize patient-centered care. Clients of grantees highlighted friendly customer service, polite and respectful treatment by receptionists, and clinicians who took the time to attend to them. Such comments suggest that these innovators might be changing low-income consumers’ standards for care. In time, such expectations could create a demand for quality that will raise the bar for providers.

CLIENTS DEFINE QUALITY

Innovators like the HHEF grantees change low-income consumers' concepts of quality.



Effective treatment

“Quality means [that] when you come out of that hospital, everything has been taken care of.”

– *Jacaranda Health client*



Qualified providers

“I know that the doctors who are there are not quacks; they are professionals because they are educated in their field. When you also go there, they attend to you and they can treat all kinds of diseases.”

– *Penda Health client*



Convenience

“[The facility] has enough personnel [so] you don’t have to wait. They also have medicine—you are not given a prescription [to purchase medicine elsewhere].”

– *Jacaranda Health client*



Comprehensive treatment

“A quality facility is where they run tests first . . . when you come to this facility at Omboye, they have to test you if you come and tell them that you are suffering from malaria, they have to verify that it’s malaria they are treating.”

– *Afya Research Africa client*



Dignity and kindness

“The bottom line is they might have those machines and those things but . . . the person serving you is the most critical aspect of that whole affordable or high quality medical care . . . because the machines don’t operate themselves.”

– *Penda Health client*

Empowering consumers with health information

Many of sub-Saharan Africa's public health systems face shortages of health care workers, so patients at public facilities often get little time with doctors and nurses. Consumers described provider encounters as little more than receiving a prescription. Such brief interactions are a missed opportunity to inform and engage consumers, encouraging them to be partners in their own health care.

To improve the situation, some grantees designed service delivery models that improve patient-provider relationships. Others use mobile technology that gives consumers access to health information whenever and wherever they choose. Enterprises that manufacture and sell products integrate information delivery with the sale of health and hygiene products, reaching people before they enter the health system. Heightened interaction with providers is one aspect of care that clients perceive truly distinguishes HHEF grantees from their previous providers.



Enriching provider-consumer relationships

“I have been to many hospitals before Access Afya and the difference I noticed is the doctor gave me much more information than any other hospital has ever done. They even called to follow up on how I was feeling.”

– Access Afya client

“Jacaranda is good because they try and talk to you, I find it worth it . . . if you have any problem with those medicines for family planning, they explain to you nicely, but others just give you medicine without caring.”

– Jacaranda Health client

Making essential health information fun

With support from the fund, ZanaAfrica developed 14 comic inserts that feature female “health heroes,” and convey messages about reproductive health, menstrual hygiene, family planning, and sexually transmitted diseases, such as HIV. Comics are placed inside ZanaAfrica’s packs of sanitary pads, providing health information to girls in a fun, engaging way. This is a scalable method to deliver accurate health information in a way that can circumvent social anxieties, taboos, and misinformation.



Mamthasina Rammosoa, DDC International



A bridge to health care information and advice

Accessing health care in Ethiopia frequently requires consumers to spend a great deal of time and money traveling to facilities, as many reside in rural areas. Consumers often cope by consulting informal providers, resorting to uninformed self-care, or leaving a health condition untreated. Telemed Medical Services aims to leverage the proliferation of mobile phones to create an affordable and accessible bridge between consumers and providers. Telemed’s service, Hello Doctor, is the first and only private m-enabled health care delivery platform in Ethiopia. The service provides medical advice over the phone from doctors and nurses, 24 hours a day, 7 days a week. Clinicians advise callers and refer them to local hospitals or ambulance services. The convenience and privacy of Hello Doctor encourages Ethiopians to talk to a clinician earlier, and to seek reliable information on sensitive or stigmatized topics such as HIV, family planning for adolescents, and mental health. Over 14,000 Ethiopians have accessed medical advice from Hello Doctor in the 21 months Telemed has worked with the fund.

April Warren

Strengthening health care infrastructure

Ethiopia's health care infrastructure is less developed than that of some of its East African neighbors. This has led many HHEF grantees in Ethiopia to propose products and services that address gaps in the health system, rather than the business process innovations that grantees in more developed markets, like Kenya, have pursued. As a result, many Ethiopian grantees created products and services without precedent or peer in Ethiopia. This was incredibly challenging, with grantees spending time searching for applicable benchmarks and best practices from other countries, building their industries from the ground up—and spending countless hours with regulators educating them about their new product or service, explaining why it was not yet on any regulatory body's list, and asking how to get the offering officially reviewed, approved, and registered. Opaque government processes have been a major obstacle, but grantees treated the challenges as opportunities, and developed innovations that directly address public sector needs.

Improving medical waste disposal

One day, Dr. Dawit Wolday, the CEO of Medical Biotech Laboratories, was burning his laboratory's medical waste outside, as most health facilities in Ethiopia do. A regulator approached and told him that he could no longer dispose of hazardous waste this way. Dr. Wolday asked what to do, explaining that he could not dump it in the municipal waste, as sharps and biohazardous waste are dangerous. The regulator ordered him to find a solution.

With support from HHEF, Dr. Wolday created DaZeB Medical Waste Management Services, which picks up medical waste from health facilities and transports it to a processing site that burns the waste in a safe, environmentally friendly way. In the process of signing service agreements with public and private facilities throughout Addis Ababa, Dr. Wolday learned that facilities were discarding sharp objects and other medical waste in regular plastic bags—posing a health risk. He successfully applied for a second round of HHEF grant funding to manufacture color-coded disposal bins and sharp object containers, providing a comprehensive medical waste solution.



Jessica Scranton



April Warren

Building capacity for in-country manufacturing

When Tiffini Diage and Fasil Kiros received a HHEF grant, they founded Echelon, Ethiopia's first medical device manufacturing company. Echelon designed a bag valve mask, a simple neonatal resuscitation device that could be manufactured locally. They approached the Food, Medicine, and Healthcare Administration and Control Authority of Ethiopia (FMHACA) to learn the standards for medical device production, but none existed. Previously, all medical devices had been imported, so Echelon used their expertise to provide FMHACA regulators with a two-day medical device standards training that would promote quality and safety in the nascent industry. Echelon is now the first medical device manufacturing facility in Ethiopia to be certified by FMHACA and accredited by the World Medical Device Organization.

Providing emergency medical services

Ethiopia's emergency service infrastructure has not been prioritized amid the country's rapid development. Even Addis Ababa has no organized emergency medical service system and no single citywide ambulance dispatch number. Ethiopia's first private ambulance company, Tebita Ambulance, is addressing this need. Technical assistance with marketing, including securing a four-digit number and installing GPS tracking software, has helped Tebita decrease response times for critical emergencies.



April Warren



Offering flexible payment options

For low-income families, the decision to select and visit a health care provider can be stressful and complicated by competing demands on limited incomes. Poor consumers describe a decisionmaking process that is often decided by how much cash the family has on hand.

Because the poor face uncertain and volatile cash flows, one of the most transformative ways that grantees increase poor consumers' choice is by offering flexible payment options for care. However this flexibility is achieved, consumers appreciate the options HHEF grantees provide for the sake of convenience and peace of mind.

“When I go there, shall I be able to pay?
 . . . Shall I be able to access the medicine
 for it to help me?” These are some of the
 questions I will ask myself before I go to a
 hospital. Before I decide I will go there, you
 know I have to look at my pocket . . .
 [this is] how it is, because I pay in cash.”
 – *Penda Health client*



Manihasina Raminosoa, DDC International



Health financing for the working poor

Penda Health found that patients ran out of money by mid-month, and could not afford health care until they were paid on the last day of the month. As a result, patients delayed seeking care, often exacerbating their illness. With HHEF support, Penda partnered with MicroEnsure to design a customized financing product, called Penda PostPaid, for companies that employ large numbers of uninsured laborers. To use the service, participating employees pay nothing up front for services they receive at Penda. At the end of the month, Penda invoices the employer, who deducts the cost of care directly from the employee's next paycheck. This arrangement frees employees to seek care when they need it—not just when they have cash. Eighteen months after launching the service, 15 percent of Penda's patients pay for care using a non-cash option.

“What I like about [Penda PostPaid] is I can access medical treatment any time I need it. Affordability is the best thing with [having] the [Penda PostPaid] card. You don't need to have money in your pockets all the time.”
— *Penda Health client*

Flexible payment arrangements

Afya Research Africa (ARA) was founded to make primary health care accessible to people living in remote areas of Kenya. Through the fund, ARA established 11 health kiosks, operated by and for the communities, to serve these populations. The kiosks make health care convenient while promoting familiarity, accountability, and trust between kiosk staff and their customers. They also help customers access care when cash resources are scarce. One of their most popular features is that customers can pay for care in small installments or in-kind contributions, enabling customers to seek care whenever they need to do so. This arrangement is possible because of how deeply the kiosks are embedded into the community structure, as well as the shared social capital ARA's model has helped create between customers and kiosk employees.

“I had some small amount of money, so I went and paid and had the option of bringing whatever was remaining later on. So to me, that was impressive . . . I could not complain that I don't have money to buy some porridge . . . so I come, they treat me fast and I go back.”
— *Afya Research Africa client*



With support from the SHOPS project,

HANSHEP Health Enterprise Fund grantees are making important contributions to health care for low-income communities in Ethiopia, Kenya, and Nigeria. They are changing the way health care products are manufactured and services are financed and delivered, and in doing so, are addressing challenges that low-income patients face in accessing affordable, high quality health care.



While reaching tens of thousands with priority health services, grantees have tirelessly reworked their business models and adapted their products to respond to clients' needs and preferences. These changes require upfront investment in research and capacity building, which can be difficult to attract. The fund addresses needed financing and capacity building for early-stage, private health enterprises. Grantees described how the fund incentivized new ideas and helped bring them to fruition. Without that support, the ideas might never have been tested or expanded. For many enterprises, the significant and targeted technical assistance that SHOPS provided was as important as the financing. Global development organizations have access to local and international expertise and networks that are unknown to or out of reach for early-stage enterprises.

Investing in innovation through early-stage enterprises is a catalyst for improvements in health care. Grantees are starting to make an impact on the health of the communities they serve. Their innovations have the potential to foster major changes in sub-Saharan Africa's health care landscape. By using technology, increasing patient-provider interaction, lowering costs of care, and raising quality standards, these enterprises are changing health care for low-income populations, and setting new expectations for providers and health systems.



HANSHEP Health Enterprise Fund Awardees

Access Afya

Afri-Can Trust

Afya Research Africa

Deji Clinic

Echelon

GE Ethiopia

Hecahn Health Services

Innopia

Jacaranda Health

Kadisco General Hospital

Medical Biotech Laboratories

Penda Health and MicroEnsure

Ruaraka Uhai Neema Hospital

Tebita Ambulance

Telemed Medical Services

ZanaAfrica



“Underserved populations that are considered unprofitable can actually be profitable if you consider how to provide service to them.”
 – Dr. Sam Gwer, co-founder, Afya Research Africa

Mammasina Raminosa, DDC International

The Strengthening Health Outcomes through the Private Sector project is the flagship private health sector initiative of the United States Agency for International Development. The five-year project focuses on increasing availability, improving quality, and expanding coverage of essential health products and services in family planning and reproductive health, maternal and child health, HIV, and other health areas through the private sector.

shopsproject.org



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